

SWITCHING TECHNOLOGIES GÜNTHER LIMITED


Regd.Office: B9, B10 & C1, MEPZ - Special Economic Zone, Kadapperi, Tambaram, Chennai – 600 045.

BOARD OF DIRECTORS : **JOHN D. ROLLO (Chairman)**
ROBERT P. ROMANO
MICHEL VANDERVELPEN
P. RAMESH - Managing Director

BANKERS : **HDFC BANK LTD**
STATE BANK OF INDIA

REGISTERED OFFICE & WORKS : Plots B9, B10 & C1,
MEPZ - Special Economic Zone,
Kadapperi, Tambaram,
Chennai - 600 045.
Phone : 91-44-22622460
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Fax : 91-44-22628271
email : stgindia@airtelmail.in

REGISTRAR FOR : **CAMEO CORPORATE SERVICES LTD**
ELECTRONIC CONNECTIVITY AND Subramanian Building,
PHYSICAL SHARE TRANSFERS No.1, Club House Road,
Chennai - 600 002.
Phone : 91-44-28460390 (5 Lines)
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email : cameosys@cameoindia.com



GÜNTHER AMERICA

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Clifton, NJ 07012 USA
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COMUS

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COMUS

Comus International Byba
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Fax : 32 12 235754
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ASSEMtech EUROPE

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Rice Bridge Industrial Estate
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Essex, CO16 0HL
Telephone : + 1255 862236
Fax : 1255 862014



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**SWITCHING TECHNOLOGIES
GÜNTHER LIMITED**

Plots: B9, B10 & C1,
Special Economic Zone (MEPZ),
Kadapperi, Tambaram,
Chennai 600 045

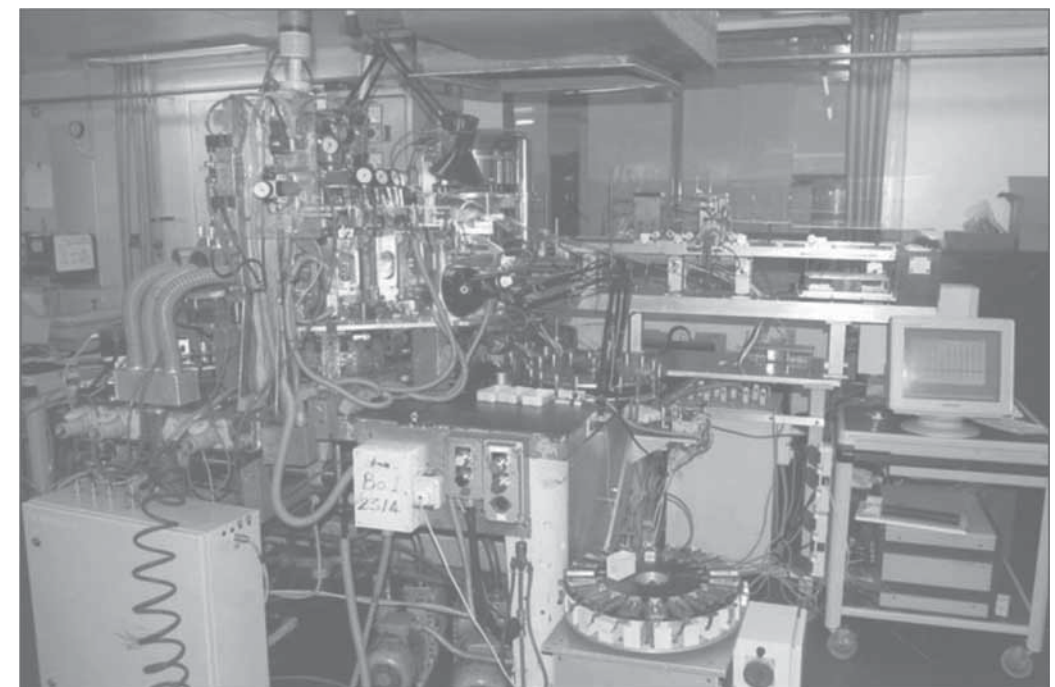
**Sensing
the World's
needs**

Assembly and technology finely matched to offer both standard and custom switch and sensor products to industry

Bauteile und Technologie wurden sowohl in Einklang gebracht, daß sie sowohl für Standard-Schalter und Schalter-Sonderanfertigungen als auch für Sensor-Produkte auf dem Markt angeboten werden können

Les assemblages et la technologie ont été accordés pour qu'ils puissent être offerts sur le marché non seulement pour les interrupteurs standards et spéciaux mais encore pour les capteurs

Assemblaggi e tecnologia opportunamente uniti per offrire interruttori standard o custom e sensoristica per l'industria



AUTOMATIC REED SWITCH SEALING MACHINE



RHODIUM & GOLD COMPUTERISED AUTOMATIC PLATING LINE

SWITCHING TECHNOLOGIES GÜNTHER LIMITED

Regd. Office: B9, B10 & C1, MEPZ - Special Economic Zone, Kadapperi, Tambaram, Chennai-600 045

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 22nd Annual General Meeting of the members of Switching Technologies Gunther Ltd. will be held on Thursday, the 23rd September, 2010 at Hotel Grand Palace, 257, G.S.T. Road, Chromepet, Near MIT Gate, Chennai 600 044 at 2.30 p.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account and Cash Flow Statement for the period ended 31st March 2010 and the Balance Sheet as on that date and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in the place of Mr. John D Rollo, who retires by rotation and is eligible for reappointment.
3. To appoint Auditors and to fix their remuneration.

M/s. R Subramanian and Company, Chartered Accountants, Chennai, Auditors of the Company hold office till the conclusion of this Annual General Meeting and are eligible for re-appointment.

For and on behalf of the Board

Place : New Jersey, USA

Date : 30th May 2010

JOHN D.ROLLO

Chairman

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, TO BE VALID, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.
2. Members / Proxies should bring the Attendance Slips sent herewith duly filled in for attending the meeting and hand it over at the entrance.
3. Members are requested to bring their copies of the Annual Report to the meeting.
4. Members are requested to immediately intimate any change in their address registered with the Company quoting their respective Folio Number(s).
5. Members who have multiple folios in identical names or joint names in the same order are requested to intimate to the Company these folios to enable the Company to consolidate all such shareholdings into one folio.
6. The Share transfer Register and Register of Members will be closed from Tuesday the 21st September, 2010 to Thursday, 23rd September, 2010 (both days inclusive)

DIRECTORS' REPORT

The Board of Directors of your company presents their 22nd Annual Report together with the audited accounts for the financial year ended 31st March 2010.

FINANCIAL RESULTS	Year ended 31.03.2010 (Rs.)	Year ended 31.03.2009 (Rs.)
Sales and other Income	65,951,903	107,625,397
Profit before interest and depreciation	1,235,378	1,597,600
Interest	--	--
Profit before depreciation	1,235,378	1,597,600
Depreciation	1,565,383	1,616,952
Profit before taxation and exceptional item	(330,005)	(19,353)
Exceptional item	--	--
Profit before taxation after exceptional item	(330,005)	(19,353)
Provision for taxation		
- Current	--	--
- Fringe benefit tax	--	175,067
Profit / (Loss) after taxation and exceptional item	(330,005)	(194,420)

PERFORMANCE OF THE COMPANY

The Sales and other income during the year was marginally down at Rs. 65.95 million compared to Rs. 107.63 million during the year ended 2009. This was because of the severe market recession globally and domestically. Despite the tough recession time, your company is proud to present much better position, in that, with the help of cost cutting measures, productivity enhancement measures and scrap generation control measures being in place, the company could still post a profit before depreciation at Rs. 1.23 million.

Your company is also proud to present the financial figures without obtaining any debt waivers or otherwise, from its parent group to prepare the accounts on Going Concern basis, which was otherwise, customary practice in past. This itself will be proving the efficiency, effectiveness and pro-active commitment of the present management. The present management is confident of moving further forward to convert the company into profitable position.

AUDITOR'S QUALIFICATION

It is the pleasure to inform all the August Members that your auditors have not qualified any transaction. Your auditors have prepared and presented the accounts of the company as "Going Concern". The Leave Encashment and Gratuity Liability in respect of the employees of the company have been made on the basis of Actuarial Valuation as mandated under Accounting Standard AS 15.

FUTURE PROSPECTS

It is again a pleasure to inform all the August Members that, operational performance of the company has been much satisfactory given against the back drop of extreme recession. Though sales turn over has been comparatively lesser, comparing previous financial year, however, company could still ensure posting positive operational results. This could be achieved due to intense and dedicated cost cutting drive besides other measures resorted to by the present management.

The Management is taking various steps to improve the profitability of the company. However due to stiff competition and global uncertainties, the company is affected and it is expected that it will take a couple of years for the company to make reasonable and sizeable profits.

The Management is finding difficult to mobilize loans, etc. from the bank due to appearance of the carried forward losses in the Balance Sheet which in result depicts STG as a loss making company, despite posting operational profits. The Management is therefore contemplating the ways and means to get out of this impasse which among others includes contemplating the scheme of arrangement as provided in the Companies Law in vogue.

The Management is in constant touch with its consultants in this regard. If Management succeeds in getting out of this impasse, the Company will be in a better position to mobilize funds towards Capital Loan / Working Capital and accordingly it can render much better operational results, which is otherwise posing as a constrain in enhancement of business / productivity.

DEPOSITS

The Company has neither invited nor accepted any deposits during the year.

DIRECTORS

Pursuant to provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. John D Rollo retires by rotation at the ensuing Annual General Meeting.

PARTICULARS OF EMPLOYEES

There were no employees within the purview of Sec. 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

COMPLIANCE CERTIFICATE UNDER SECTION 383A OF THE COMPANIES ACT, 1956

The Compliance Certificate under Section 383A of the Companies Act, 1956 from Mrs.K.J.Lakshmi, Practicing Company Secretary is annexed to this report.

AUDITORS

The Auditors of the Company, M/s. R Subramanian and Company, Chartered Accountants, Chennai retires at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

PERSONNEL

The industrial relations continued to remain cordial throughout the period.

DEMATERIALISATION OF SHARES

To facilitate the dematerialization of shares your company has appointed M/s. Cameo Corporate Services Limited, Chennai as Electronic Share Transfer Agent for providing electronic connectivity with National Securities Depository Ltd. and Central Depository Services (India) Ltd. Cameo Corporate Services Limited, Chennai is handling the dematerialization of shares and share transfers – both electronic and physical.

LISTING WITH STOCK EXCHANGES

Your company's shares are listed in Mumbai Stock Exchange. The listing continued throughout the year and the listing fees due to date have been paid.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

1. In the preparation of annual accounts, the applicable Accounting Standards have been followed.
2. The Directors had selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the Loss of the Company for the year.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a 'Going Concern' basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under Sec.217 (1)(e) of the Companies Act, 1956 and rules framed there under relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in the Annexure, forming part of this report.

ACKNOWLEDGEMENT

The directors thank authorities of Madras Export Processing Zone, Reserve Bank of India, State Bank of India, HDFC Bank for the guidance and assistance rendered to the company and the employees for their effort and co-operation.

For and on behalf of the Board

Place : New Jersey, USA

Date : 30th May 2010

JOHN D.ROLLO

CHAIRMAN

ANNEXURE TO DIRECTORS' REPORT

Information as required under Section 217(1)(e) of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

CONSERVATION OF ENERGY:

Adequate repairs and maintenance of production facilities and improvements in infrastructure were carried out throughout the financial year for achieving energy conservation.

TECHNOLOGY ABSORPTION:

Presently the Company does not have a technical collaboration.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earned on the export of Reed Switches and others on FOB basis during the period under review amounts to Rs. 647.95 lacs. Foreign exchange outgo on account of Imported Raw Materials, Stores and Capital Goods was Rs. 206.70 lacs whereas expenditure in foreign currency on account of Interest was Rs. Nil.

For and on behalf of the Board

Place : New Jersey, USA

Date : 30th May 2010

JOHN D.ROLLO

CHAIRMAN

COMPLIANCE CERTIFICATE

Name of the Company : **SWITCHING TECHNOLOGIES GÜNTHER LIMITED**
CIN of the Company : L29142TN1988PLC015647
Authorized Capital : Rs. 60,000,000/-
Paid-up Capital : Rs. 34,317,800/-

To

The Members

MESSRS. SWITCHING TECHNOLOGIES GÜNTHER LIMITED

Plots B9, B10 & C1, Madras Export Processing Zone,

Kadapperi, Tambaram, Chennai - 600 045.

I have examined the registers, records, books and papers of SWITCHING TECHNOLOGIES GÜNTHER LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March 2010. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities.
3. The Company is a Public limited Company and has the minimum prescribed paid up capital.
4. The Board of Directors duly met Five (5) times on 30th June 2009, 31st July 2009, 24th September 2009, 31st October 2009 and 30th January 2010 in respect of which meetings proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 21.09.09 to 24.09.09 (both days inclusive) after duly complying with the provisions of the Act during the financial year ended 31st March 2009.

6. The annual general meeting for the financial year ended on 31st March 2009 was held on 24th September 2009 after giving due notice to the members of the company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary General meeting(s) was held during the financial year.
8. As per the information provided, the Company has not advanced any loans or given any guarantees or provided any securities to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. As per the information provided, the Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Board of Directors have approved the issue of duplicate share certificates during the financial year ended 31st March, 2010.
13. The Company:
 - (i) has delivered all the certificates on transfer in accordance with the provisions of the Act. The company has not effected any allotment of securities during the financial year ended 31st March, 2010.
 - (ii) has not declared any dividend and was not required to deposit any amount in a separate Bank Account within five days from the date of declaration of such dividend.
 - (iii) was not required to pay/post warrants for dividends to all the members.
 - (iv) has no unpaid/ unclaimed dividend to be transferred to unpaid dividend account /Investor Education and Protection Fund.
 - (v) has not issued any shares or debentures and has not accepted any deposits and hence the question of transfer of application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a financial year of seven years to Investor Education and Protection Fund does not arise.
 - (vi) has complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Director(s)/ Alternate director(s), and directors to fill casual vacancy during the financial year.
15. The Company has appointed Mr. P Ramesh as Managing director with effect from 28th March 2009 in accordance with the provisions of Section 269 and continues to hold office during the year. The Company has not appointed any Whole time Director/ Manager during the financial year ended 31st March, 2010.
16. The Company has not appointed any sole selling agents during the financial year ended 31st March, 2010.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director and / or such authorities prescribed under the various provisions of the Act during the financial year ended 31st March, 2010.
18. The directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year ended 31st March, 2010.
20. The Company has not bought back any shares during the financial year ended 31st March, 2010 and hence the question of complying with the buy back provisions does not arise.
21. The Company has not redeemed preference share capital during the financial year under review. The company has not issued debentures and hence the question of redemption of debentures does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the financial year ended 31st March, 2010.
24. As per the information provided and as per the Auditors report, the amount borrowed by the Company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2010 are within the borrowing limits of the company.
25. The Company has not made loans and investments, or given guarantees or provided securities to other bodies corporate.
26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's Registered Office from one State to another during the financial year under scrutiny.